

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:759
ANSWERED ON:04.03.2005
INVESTMENT IN POWER AND CIVIL AVIATION
Kalmadi Shri Suresh

Will the Minister of FINANCE be pleased to state:

- (a) whether the Union Government has taken major decisions on building infrastructure, power and civil aviation sectors;
- (b) if so, whether industry bodies have come up with similar proposals for specific sectors before the newly set up investment commission;
- (c) if so, whether the Government has taken any steps to spur investment in these sectors; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) Yes, Sir

(b) Yes, Sir

(c)& (d): In addition to liberalising the investment regime and conferring tax benefits to investments made in these sectors, GOI, in recent times, has taken various other initiatives to spur investment in these sectors. Such initiatives include constitution and promotion of Inter Institutional Groups in various infrastructure sectors to ensure financial close of infrastructure projects; provision of viability gap support to public private partnership projects of infrastructure; constitution of Committee on Infrastructure to oversee the policy, implementational and regulatory issues facing the sector. In civil aviation, the Airport Authority of India Act was amended to provide for long-term lease of existing airports and exempting private airports from the purview of the Act except for ATC and security consideration while in case of power, National Electricity Policy has since been announced.